



USAID/SOUTHERN AFRICA TRADE HUB

LEVERAGING PARTNERSHIPS TO MAXIMIZE TCB IMPACT

In the start of the new century, USAID launched a series of flexible, demand-driven, rapid response mechanisms to help developing country partners accede to the WTO and comply with the implementation of WTO agreements on agriculture, services, trade facilitation, sanitary and phytosanitary measures, technical barriers to trade (TBT) and intellectual property rights. Successes fostered from Washington have sometimes incubated the design and implementation of field-based programs. Support to the Lao People's Democratic Republic (PDR) under the USAID TCB program (and its successors) ultimately led to the creation of the Lao PDR-U.S. International and ASEAN Integration (LUNA) Project, which facilitated the Lao PDR's WTO accession and increased integration with Association of Southeast Asian Nations (ASEAN) partners.

These programs have also adapted to a changing TCB landscape, leveraging innovative public-private partnerships (PPPs) to maximize the impact of assistance. USAID has partnered with the American National Standards Institute (ANSI) to implement the Standards Alliance, a new funding facility that helps developing countries implement the WTO Agreement on TBT. The Standards Alliance has: 1) helped support the establishment of TBT enquiry points and notification authority in Malawi, Mozambique, and Swaziland; 2) co-hosted a workshop for East African Community (EAC) stakeholders on TBT notifications and public consultation; and 3) supported TBT implementation in Yemen. USAID has also launched a similar PPP, the Global Alliance for Trade Facilitation with the World Economic Forum, the International Chamber of Commerce and the Center for International Private Enterprise to help developing countries implement the WTO Agreement on Trade Facilitation. This alliance holds great potential for LDCs. The WTO has estimated that LDCs would see the greatest average reduction in trade costs (more than 16 percent) from full implementation of the agreement.

REMOVING BARRIERS AND ACCELERATING GROWTH TO CREATE OPPORTUNITIES AND PRODUCE PROSPERITY

USAID is committed to working with LDCs and other donors to meet TCB needs and challenges. Preferences granted under AGOA and HOPE/HELP were recently extended to 2025, with attendant commitments to assist African and Haitian partners through trade hubs and other TCB programs. USAID also facilitates the integration of LDCs such as Afghanistan, Bangladesh, Cambodia and Myanmar into regional economies through initiatives supporting ASEAN, the New Silk Road and the Indo-Pacific Economic Corridor. Though LDCs have made great strides towards increasing their share in global trade, there is more to be done. To alleviate global poverty, United Nations Sustainable Development Goal 17 aims to further double LDC exports between 2015 and 2020. High quality, innovative TCB assistance, coupled with USG preferential trade schemes, can play a significant part in removing trade barriers for LDCs, accelerating growth and producing prosperity.



USAID
FROM THE AMERICAN PEOPLE

USAID TRADE CAPACITY BUILDING IN LEAST DEVELOPED COUNTRIES



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PHOTO: USAID/NEPAL ECONOMIC, AGRICULTURE, AND TRADE PROJECT

USAID's Office of Trade and Regulatory Reform (TRR) has expertise in trade facilitation, competition policy, business regulation, standards and other related areas that cut across a range of sectors.

For more information about how USAID is helping LDCs better harness the benefits of international trade, please contact ptf@usaid.gov.



USAID/HAITI LOCAL ENTERPRISE AND VALUE CHAIN ENHANCEMENT PROJECT

In the past 15 years, least developed countries' (LDC) share of global trade in goods has nearly doubled, and LDCs' share of trade in services has significantly increased. USAID is proud to have played a role in that achievement.

Since 2001, the US Government (USG) has devoted approximately \$17 billion to trade capacity building (TCB) programs, making the United States one of the largest single-country providers of TCB assistance. Much of this assistance has been administered through programs designed and implemented by United States Agency for International Development (USAID).

The United States has contributed significantly to the integration of developing countries—including Least Developed Countries (LDCs)—into regional and global economies. USAID has supported more than 54 developing countries in World Trade Organization (WTO) accession or implementation. Of the 20 countries currently in negotiation, nine have received USAID assistance.

EMPOWERING AFRICAN LDCS TO EXPORT COMPETITIVE, VALUE-ADDED PRODUCTS AND REDUCE THE TIME AND COSTS OF TRADE

Approximately 75 percent of LDCs are located in sub-Saharan Africa. In 2000, the USG launched an ambitious aid-for-trade program for Sub-Saharan Africa. The cornerstone of this program was the African Growth and Opportunity Act (AGOA), which provides African countries duty-free access to the United States market. Through three regional trade hubs (West, East, and Southern) administered by USAID, the USG has helped African partner-states build trade capacity and benefit from preferences granted under AGOA. This assistance has included the identification and elimination of non-tariff barriers to trade, the harmonization of regional food safety and quality standards, customs modernization, and firm-level assistance to African agriculture, textiles and handicraft producers to improve productivity and access new markets. The trade hubs have been instrumental in integrating LDCs into regional and global trade networks.

West Africa

The Trade Hub incubated the Borderless Alliance, a multi-lateral partnership of public and private sector stakeholders devoted to improving efficiency and transparency along key trade corridors linking landlocked LDCs (e.g., Mali, Burkina

USAID AND THE ENHANCED INTEGRATED FRAMEWORK

USAID has been a steadfast supporter of LDCs and the goals of the Enhanced Integrated Framework (EIF). Through Washington- and field-based programs, USAID has sponsored the development and implementation of Diagnostic Trade Integration Studies (DTIS). In 2012, USAID, through the Southern Africa Trade Hub, sponsored a DTIS update for Lesotho. The Lesotho update reviewed progress in implementing the DTIS Action Matrix and recommended actions for further reform for public and private sector stakeholders. Some of these reforms were later taken up by the Trade Hub in the context of helping Lesotho implement its Investor Roadmap. USAID has also sponsored DTIS's in Burundi and Mozambique, serving as EIF Country Coordinator for those countries as well.

Faso) with regional seaports. The West Africa Trade Hub has also launched and supported several commodity-specific alliances (e.g., Global Shea Alliance, African Cashew Alliance) to help producers improve quality, diversify their product offerings, and access new markets. The Hub also supports AGOA Trade Resource Centers in several LDCs across the region, including Benin, Burkina Faso, Liberia, Niger, Senegal and Sierra Leone.

The USG has also provided TCB assistance to African LDCs through other regional and bilateral programs. In West Africa, the USAID has honored government commitments to support the West African "C4" (Benin, Burkina Faso, Chad, Mali) countries by introducing competitive and sustainable strategies to boost farm productivity and improve post-harvest processes.

In Liberia, the Millennium Challenge Corporation (MCC) assisted in modernizing Liberian Customs procedures, developing evidence-based trade policies and facilitating Liberia's accession to the WTO in 2015.

East Africa

Trade Hub programs have also helped East African LDCs reap the benefits of AGOA. For example, between 2011 and 2013, Ethiopian shoe exports through AGOA increased more than thirtyfold; in one year alone (2012-2013), the Trade Hub facilitated more than \$1.5 million in Ethiopian shoe sales to the United States. The Hub has also supported Burundi in developing an AGOA strategy and analyzing the coffee and staple foods value chains. The Hub has lowered the time and cost of trade for LDC traders by supporting customs modernization and transport corridor analysis.

Southern Africa

The Trade Hub has also supported Southern African LDCs in increasing exports under AGOA, particularly in the textiles and apparel industry. LDCs Lesotho and Swaziland are the

first and third largest Southern African textiles/apparel exporters under AGOA. USAID assistance has helped manufacturers in Lesotho and Swaziland improve productivity and access US markets through participation in major international trade shows. The Hub has supported streamlining and harmonizing procedures at border posts between Malawi, Mozambique, Tanzania and Zambia. The Hub has also helped LDCs such as Swaziland conduct World Customs Organization (WCO) methodology time-release studies to identify and eliminate border clearance bottlenecks.

USAID assisted Mozambique in developing a national trade portal, making the national single electronic window more user-friendly, and assessing its pre-shipment inspection regime. It has also steadily supported Mozambique through a series of TCB programs to improve the trade and investment environment.

SUPPORTING TRADE LIBERALIZATION AND JOB CREATION IN AFGHANISTAN AND HAITI

In Afghanistan, USAID is supporting the Afghan government in formulating and implementing a trade and investment policy framework in accordance with international standards, including the WTO. USAID TCB programs have facilitated trade and transit agreements between Afghanistan and neighbors Pakistan and Tajikistan, and helped increase Afghan exports to neighboring South Asia Free Trade Area countries by more than 30 percent in 2014. In Haiti, USAID programs are empowering Haitian textiles and apparel producers to take advantage of trade preferences extended by the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) II Act and Haitian Economic Lift Program (HELP). These programs support an estimated 30,000 jobs in Haiti created by the apparel industry, the core export industry and primary source of employment growth. USAID also plans to support the port of Cap-Haitien in aligning customs modernization with international best practices.